

so any rate increases to reflect payphone compensation will be substantial, expressed in a percentage to total service.

Clearly, instead of passing these costs on to paging carriers and other 800 subscribers, who have no way successfully to pass them on to individual called parties, the IXC's should be required to spread their costs over all 800 users. This would serve to eliminate the generation of additional costs of tracking and billing of the IXC's necessary to pass these unwarranted costs on to 800 subscribers, and thus limit the additional costs generated in attempting to collect these exorbitant compensation amounts. Furthermore, the average 800 bill is hundreds or thousands of dollars a month, not \$10 to \$20 or so dollars a month, and so the 800 subscribers as a whole are likely to more easily absorb the increase without total disruption in the 800 market.

**V. THE PAYPHONE COMPENSATION MECHANISM ADOPTED BY THE COMMISSION FAILS TO PROTECT THE ULTIMATE PAYERS FROM TELECOMMUNICATIONS FRAUD.**

Despite substantial evidence in the record that a carrier-pays mechanism would swing wide open the door to fraudulent activities, and despite the Commission's past recognition that a "PSP could attach an autodialer to a payphone and have it place repeated 800 calls . . . to increase the amount of compensation

[it] receives,"<sup>25</sup> the Commission nevertheless concluded that existing statutes and regulations are adequate to discourage fraud. By failing to take steps specifically directed at protecting the ultimate payers, such as 800 service subscribers like PageNet, from autodialer fraud,<sup>26</sup> the Commission throws hundreds--if not thousands--of carriers at the mercy of unscrupulous operators. Detecting autodialer fraud will be difficult at best for 800 subscriber and access code calls, in part because of the uniqueness of these calls. They are much shorter calls than those initiated by dialing "0," so will be less distinguishable from calls placed from autodialers.

Blocking all 800 subscriber and access calls from payphones is not an answer. Nor is allowing individual 800 lines to be blocked. Calling from payphones has become too ubiquitous a means of access to block all such calls, and any attempts to do so would be extraordinarily confusing to consumers. For example, it would not be tenable from a market perspective to offer different numbers to paging subscribers depending upon whether the number accepted calls from payphones. While the paging subscriber would know the difference, the calling party will not

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<sup>25</sup> *Policies and Rules Concerning Operator Service Access and Pay Telephone Compensation*, Report and Order and Further Notice of Proposed Rulemaking, 6 FCC Rcd 4736, 4746 (1991).

<sup>26</sup> The Commission's solution to autodialer fraud is to "aggressively take action against those involved in such fraud." *Report and Order*, at 35, ¶ 65.

know whether the paging subscriber accepts calls, leading to circumstances where callers attempt to place calls to pagers, some of which will be able to be completed and some of which will not. Certainly, the Commission does not intend to subject callers to this confusion and ultimate degradation of service from payphones.

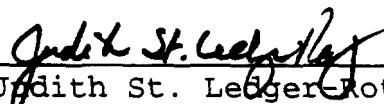
A way around this dilemma would be to require payphone providers to accept payment by coin in circumstances where the line is blocked. Then, at least, the calling party would be able to complete the call.

#### **Conclusion**

For the reasons stated above, PageNet's Petition for Limited Reconsideration should be granted.

Respectfully submitted,

**PAGING NETWORK, INC.**

  
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Table 3

## STATE-BY-STATE TARIFF AND RATE SUMMARY

(Note: The following rates are those charged by the Bell Operating Companies in each state except where indicated).

State	Monthly Access Line Charge (w/meas. svc.)	Monthly Access Line Charge (w/mess. svc.)	Monthly Access Line Charge (Flat Rate)	Per Minute Usage Charges (w/meas. 1st min.)	Each Add. Min.	Local Usage Charges (per message)
Alabama	\$24.96-\$35.68 (inc. \$7.50 usage allowance)	NA	\$49.06-\$59.78	\$.04-\$.06	\$.02-\$.04	NA
Arizona	\$16.00	NA	\$93.70	\$.03-\$.06	\$.01-\$.02	NA
California	\$17.00	NA	\$27.00-\$43.00	\$.06	\$.01	NA
Colorado	\$24.00	\$24.00	\$57.12	\$.08	\$.02	\$.12
Delaware	\$22.30-\$25.20	NA		For first 3 min. Band 1 \$.05 Band 2 \$.075 Band 3 \$.10	\$.01 \$.01 \$.015 \$.02	NA NA NA NA
70% discount from midnight to 7:00 a.m. 50% discount from 7:00 a.m. to 9:00 a.m. and from 9:00 p.m. to midnight on weekdays 5% discount from 7:00 a.m. to midnight on Saturdays and Sunday						
District of Columbia	NA	\$12.00	NA	NA	NA	\$.069
Florida	NA	\$6.49-\$17.79 (min. bill requirement \$30.00)	\$114.49-\$125.79	NA	NA	\$.12
Georgia	NA	\$15.80-\$33.64	NA	NA	NA	\$.12
Idaho	Basic-\$12.58-\$15.39 Enhanced-\$18.48- \$21.29	\$15.10-\$16.62 \$21.00-\$22.52	NA	\$.04-\$.08	\$.01-\$.03	\$.096

Table 3 (continued)

State	Monthly Access Line Charge (w/meas. svc.)	Monthly Access Line Charge (w/mess. svc.)	Monthly Access Line Charge (Flat Rate)	Per Minute Usage Charges (w/meas. 1st min.)	Each Add. Min.	Local Usage Charges (per message)
Illinois	NA	\$5.58-\$12.58	\$40.58	NA	NA	\$.045
Indiana	NA	\$19.04, \$23.34 or \$30.04 includes a 60-call allowance	\$39.52			\$.21 per call from 61 to 140 calls \$.10 for each call there after.
Iowa	\$26.00/no free calls \$30.00/\$5.00 usage allowance \$34.00/\$10.00 usage allowance	NA	\$24.20-\$41.60	\$.05	\$.01	NA
Kansas	NA	\$30.00	\$55.00	NA	NA	\$.07
Kentucky (South Cen- tral Bell)	\$40.49	NA	\$56.26	\$.04 \$.06	\$.02 \$.04	
Louisiana	\$32.65	NA	\$56.35	Band A-\$.04 Band B-\$.06	\$.02 \$.04	NA
Michigan	\$10.62	NA	NA	NA	NA	\$.082
Minnesota		\$31.15-\$47.53	\$56.90	NA	NA	\$.12 1st 200 calls \$.10 201-400 \$.08 401-600 \$.05 over 600
Mississippi	\$32.60	NA	\$50.51	Band A-\$.04 Band B-\$.06	\$.02 \$.04	NA
Missouri	NA	\$26.50	\$65.00	NA	NA	\$.13 1st 300 calls \$.15 301-600

Table 3 (continued)

State	Monthly Access Line Charge (w/meas. svc.)	Monthly Access Line Charge (w/mess. svc.)	Monthly Access Line Charge (Flat Rate)	Per Minute Usage Charges (w/meas. 1st min.)	Each Add. Min.	Local Usage Charges (per message)	
Montana	\$19.19	\$29.23	NA	(Intrawire Center Wire)	\$0.02	\$0.005	\$0.062
				0-10	\$0.025	\$0.01	
				10-20	\$0.03	\$0.015	
				20-30	\$0.035	\$0.02	
				30-50	\$0.045	\$0.025	
				50-70	\$0.05	\$0.03	
				(Night & weekend discounts are 60%, evening discounts are 35%)			
Nebraska	NA	\$30.00	\$55.00	NA	NA	\$0.10 1st 200 calls \$0.08 201-400 \$0.06 over 400	
Nevada	NA	\$37.50	NA	NA	NA	\$0.06/call	
New Jersey	NA	\$17.50	NA	NA	NA	\$0.065	
New Hampshire	\$20 (incl. \$6 usage rate)	NA	NA	\$0.07	\$0.03	NA	
New York	\$13.75	NA	\$35.25	NA	NA	\$0.087	
North Carolina	60% of B. rate \$21.00-\$24.00	60% of B. rate \$21.00-\$24.00	NA	\$0.06	\$0.02	\$0.12	
North Dakota	NA	NA	\$32.00-\$34.00 (approximately)	NA	NA	NA	
Ohio (Ohio Bell)	NA	\$26.35 (incl. 90 calls)	NA	NA	NA	\$0.07/call (after 90 calls)	
Oregon	\$33.50	NA	\$54.50	\$0.05-\$0.065	\$0.02-\$0.035	NA	

Table 3 (continued)

<u>State</u>	<u>Monthly Access Line Charge (w/meas. svc.)</u>	<u>Monthly Access Line Charge (w/mess. svc.)</u>	<u>Monthly Access Line Charge (Flat Rate)</u>	<u>Per Minute Usage Charges (w/meas. 1st min.)</u>	<u>Each Add. Min.</u>	<u>Local Usage Charges (per message)</u>
Pennsyl- vania		\$15.00-\$28.00	NA	NA	NA	\$.07
Rhode Island	NA	\$22.58 (incl. 85, 5-min. calls)	NA	NA	NA	\$.12 per 5-min. unit after the first 85 calls.
South Carolina	NA	\$27.24-\$35.40	150% Bl rate (avail. in a few places)	NA	NA	\$.12
South Dakota	NA	\$20.00	\$32.00	NA	NA	\$.06
Tennessee	\$20.70-\$28.50 (\$10.00 usage allowance)	NA	\$41.33-\$61.85	\$.04	\$.02	NA
Texas	NA	\$27.43	\$47.96	NA	NA	\$.057
Utah	NA	\$28.00 (full resale) \$26.00 (local only)	\$61.12	\$.08	\$.02	\$.12
Vermont	\$22.68 (incl. an allowance of 85 message units of 3 min. When calling from a pay phone the first 3 min. is considered two message units.)	NA	\$27.00-\$50.00	\$.11 per message unit of 3 min. (when calling from a pay phone, the first 3 min. are considered two message units.)	NA	NA
Virginia	\$11.00-\$13.00	\$11.00-\$13.00	NA	\$.035-\$.083	\$.018-\$.042	\$.106

Table 3 (continued)

<u>State</u>	<u>Monthly Access Line Charge (w/meas. svc.)</u>	<u>Monthly Access Line Charge (w/mess. svc.)</u>	<u>Monthly Access Line Charge (Flat Rate)</u>	<u>Per Minute Usage Charges (w/meas. 1st min.)</u>	<u>Each Add. Min.</u>	<u>Local Usage Charges (per message)</u>
Washington	\$25.00	NA	\$46.00	0-9 min. - \$.04	\$.15	NA
Wisconsin	NA	\$67.70-\$71.90	NA	NA	NA	\$.09/call (af 75 calls)
Wisconsin Bell		\$26.00-\$30.00	NA	NA	NA	\$.09
General Telephone		\$24.00-\$35.00	NA (where meas. service is not available. Bit (average No. calls X.08)	NA	\$.08	
Wyoming	\$15.98 B1	NA	\$24.34 1FB	\$.025	\$.005	NA
(non-Bell tariff)	\$6.60 residential rate		\$10.96 1RB			



**Affidavit of David Gamble**

I, David Gamble, Vice President, Regulatory Affairs, for Paging Network, Inc., have read the foregoing "**Petition for Limited Reconsideration,**" and declare, this 21st day of October 1996, that the information contained therein is true and correct to the best of my knowledge, information and belief.

  
David Gamble